



Senate

General Assembly

File No. 477

January Session, 2009

Substitute Senate Bill No. 1113

Senate, April 6, 2009

The Committee on Human Services reported through SEN. DOYLE of the 9th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING MEDICAID.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (*Effective from passage*) Not later than October 1,
- 2 2009, the Commissioner of Social Services shall apply for a home and
- 3 community-based services waiver pursuant to Section 1915(c) of the
- 4 Social Security Act that will allow the commissioner to develop and
- 5 implement a program for the provision of home or community-based
- 6 services, as defined in 42 CFR 440.180, to not more than one hundred
- 7 persons currently receiving services under the Medicaid program who
- 8 (1) have tested positive for human immunodeficiency virus or have
- 9 acquired immune deficiency syndrome, and (2) would remain eligible
- 10 for Medicaid if admitted to a hospital, nursing facility or intermediate
- 11 care facility for the mentally retarded, or in the absence of the services
- 12 that are requested under such waiver, would require the Medicaid
- 13 covered level of care provided in such facilities. In accordance with 42
- 14 CFR 440.180, such persons shall be eligible to receive services that are
- 15 deemed necessary by the commissioner to meet their unique needs in

16 order to avoid institutionalization.

17 Sec. 2. Subsection (b) of section 17b-28 of the general statutes is
18 repealed and the following is substituted in lieu thereof (*Effective July*
19 *1, 2009*):

20 (b) The council shall make recommendations concerning (1)
21 guaranteed access to enrollees and effective outreach and client
22 education; (2) available services comparable to those already in the
23 Medicaid state plan, including those guaranteed under the federal
24 Early and Periodic Screening, Diagnostic and Treatment Services
25 Program under 42 USC 1396d; (3) the sufficiency of provider networks;
26 (4) the sufficiency of capitated rates provider payments, financing and
27 staff resources to guarantee timely access to services; (5) participation
28 in managed care by existing community Medicaid providers; (6) the
29 linguistic and cultural competency of providers and other program
30 facilitators; (7) quality assurance; (8) timely, accessible and effective
31 client grievance procedures; (9) coordination of the Medicaid managed
32 care plan with state and federal health care reforms; (10) eligibility
33 levels for inclusion in the program; (11) cost-sharing provisions; (12) a
34 benefit package; (13) coordination with coverage under the HUSKY
35 Plan, Part B; (14) the need for program quality studies within the areas
36 identified in this section and the department's application for available
37 grant funds for such studies; (15) the managed care portion of the
38 state-administered general assistance program; [and] (16) other issues
39 pertaining to the development of a Medicaid Research and
40 Demonstration Waiver under Section 1115 of the Social Security Act;
41 (17) the Charter Oak Health Plan; and (18) the primary care case
42 management pilot program, established pursuant to section 17b-307.

43 Sec. 3. Subsection (a) of section 17b-276 of the general statutes is
44 repealed and the following is substituted in lieu thereof (*Effective July*
45 *1, 2009*):

46 (a) The Commissioner of Social Services shall identify geographic
47 areas of the state where competitive bidding for nonemergency
48 transportation services provided to medical assistance recipients to

49 access covered medical services would result in cost savings to the
50 state. For the identified areas, the Commissioner of Social Services, in
51 consultation with the Commissioner of Transportation, the
52 Commissioner of Public Health and the Secretary of the Office of
53 Policy and Management, shall purchase such nonemergency
54 transportation services through a competitive bidding process. Any
55 transportation providers awarded a contract or subcontract for the
56 direct provision of such services shall meet state licensure or
57 certification requirements and the nonemergency transportation
58 requirements established by the Department of Social Services, and
59 shall provide the most cost effective transportation service, provided
60 any contractor awarded a contract solely for coordinating such
61 transportation services shall not be required to meet such licensure or
62 certification requirements and provided the first such contracts for the
63 purchase of such services shall not exceed one year. Prior to awarding
64 a contract pursuant to this section, the Commissioner of Social Services
65 shall consider the effect of the contract on the emergency ambulance
66 primary service areas and volunteer ambulance services affected by
67 the contract. The commissioner may limit the geographic areas to be
68 served by a contractor and may limit the amount of services to be
69 performed by a contractor. The commissioner may operate one or
70 more pilot programs prior to state-wide operation of a competitive
71 bidding program for nonemergency transportation services. By
72 enrolling in the Medicaid program or participating in the
73 competitively bid contract for nonemergency transportation services,
74 providers of nonemergency transportation services agree to offer to
75 recipients of medical assistance all types or levels of transportation
76 services for which they are licensed or certified. Effective October 1,
77 1991, payment for such services shall be made only for services
78 provided to an eligible recipient who is actually transported. A
79 contract entered into pursuant to this section may include services
80 provided by another state agency. Notwithstanding any provision of
81 the general statutes, a contract entered into pursuant to this section
82 shall establish the rates to be paid for the transportation services
83 provided under the contract. A contract entered into pursuant to this

84 section may include services provided by another state agency and
 85 shall supersede any conflicting provisions of the regulations of
 86 Connecticut state agencies pertaining to medical transportation
 87 services. Any contractor awarded a contract solely for coordinating
 88 nonemergency transportation services for medical assistance
 89 recipients, who also coordinates transportation services for
 90 nonmedical assistance recipients, shall disclose to any transportation
 91 provider, with whom it subcontracts to provide nonemergency
 92 transportation services under this section, the source of payment at the
 93 time the service is requested.

94 Sec. 4. (NEW) (*Effective July 1, 2009*) All brokers of nonemergency
 95 medical transportation services that are provided under contract with
 96 the Department of Social Services shall: (1) Obtain prior authorization
 97 from the department for such services, (2) be available twenty-four
 98 hours per day, seven days per week to receive and respond to requests
 99 for prior authorization from the providers of such services, and (3)
 100 provide prior authorization to the providers in a timely manner.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>July 1, 2009</i>	17b-28(b)
Sec. 3	<i>July 1, 2009</i>	17b-276(a)
Sec. 4	<i>July 1, 2009</i>	New section

HS *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note**State Impact:**

Agency Affected	Fund-Effect	FY 10 \$	FY 11 \$
Department of Social Services	GF - Cost	See Below	See Below

Municipal Impact: None

Explanation

Section 1 of this bill requires the Department of Social Services (DSS) to pursue a Medicaid waiver to provide community based services for people with HIV or AIDS by October 1, 2009. DSS will incur an administrative cost of up to \$200,000 to develop this waiver. Should this waiver be granted, it is estimated that the 100 person program required by the bill will have an annualized cost of approximately \$4 million.

Section 2 of the bill codifies a current practice of the department and therefore has no fiscal impact.

Section 3 of this bill requires Medicaid non-emergency medical transportation (NEMT) providers to disclose to subcontractors the source of payment at the time that service is requested. This provision has no direct fiscal impact.

Section 4 requires the nonemergency transportation brokers under contract with DSS to make prior authorizations in an expedited and timely manner. This requirement may increase the administrative costs to the brokers. To the extent that these costs are passed on to DSS through future Medicaid rate increases, future state costs may result. However, this enhanced prior authorization may reduce unnecessary services, resulting in savings. The extent of these potential costs and savings cannot be known in advance.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

Sources: Public testimony, DSS current services biennial budget request

OLR Bill Analysis**sSB 1113*****AN ACT CONCERNING MEDICAID.*****SUMMARY:**

This bill requires the Department of Social Services (DSS) commissioner, by October 1, 2009, to seek a Medicaid home- and community-based services (HCBS) waiver to help individuals with HIV or AIDS avoid institutionalization.

It requires all nonemergency transportation brokers to (1) obtain prior authorization (PA) from DSS for nonemergency trips for Medicaid recipients; (2) be available 24 hours per day, seven days per week, to receive and respond to PA requests from transportation providers; and (3) provide PA to providers in a timely manner.

The bill requires any broker (1) to which DSS awards a contract solely to coordinate non-emergency transportation to Medicaid recipients and (2) that also coordinates transportation for individuals not receiving Medicaid, to disclose to any transportation provider with which it contracts the source of payment when the transportation service is requested. (If the Medicaid recipient requests the transportation from the broker, the broker would not be able to contact the provider at the same time.)

Finally, the bill requires the Medicaid Managed Care Council to make recommendations concerning the Charter Oak Health Plan and the primary care case management pilot program.

EFFECTIVE DATE: July 1, 2009

HIV-AIDS MEDICAID WAIVER

The bill requires the home- and community-based services waiver

to serve up to 100 Medicaid recipients who (1) have tested positive for HIV or have the AIDS virus and (2) would remain eligible for Medicaid if admitted to a hospital, nursing facility, or intermediate care facility for the mentally retarded or, in the absence of waiver services, could require the Medicaid-covered level of care these facilities provide. The bill makes these individuals eligible to receive services that the DSS commissioner deems necessary to meet their unique needs in order to avoid institutionalization, in accordance with federal regulations.

The FY 07 budget contained \$200,000 for DSS to develop a Medicaid HCBS waiver for people with AIDS. DSS has not submitted the waiver.

EFFECTIVE DATE: July 1, 2009, except the HIV-AIDS waiver provision is effective upon passage.

BACKGROUND

HCBS Waiver

Federal Medicaid regulations list the services that states can offer under an HCBS waiver. These include case management, homemaker services, home health aides, and respite, among others (42 CFR § 440.180).

Medicaid Non-emergency Transportation

DSS presently contracts with three transportation brokers that coordinate non-emergency transportation for Medicaid recipients. State regulations require PA for most non-emergency ambulance trips, and the brokers must obtain this from DSS before they can authorize them. The contracts do not require the brokers to obtain PA within a specific time frame, including after hours and weekends, but at least two have back-up systems to receive and respond to PA requests.

COMMITTEE ACTION

Human Services Committee

Joint Favorable Substitute

Yea 19 Nay 0 (03/19/2009)

